

Message Text

CONFIDENTIAL

PAGE 01 MADRID 02640 061214Z
ACTION EUR-12

INFO OCT-01 ISO-00 ERDA-05 ACDA-07 OES-06 ERDE-00 IO-13
CIAE-00 DODE-00 NSAE-00 NSCE-00 SSO-00 USIE-00
INRE-00 PM-04 H-01 INR-07 L-03 NSC-05 PA-01
PRS-01 SP-02 SS-15 EB-08 TRSE-00 COME-00 NRC-05
/096 W

-----061223Z 082976 /11

O 061136Z APR 77

FM AMEMBASSY MADRID

TO SECSTATE WASHDC IMMEDIATE 9680

INFO AMCONSUL BARCELONA

AMCONSUL BILBAO

AMCONSUL SEVILLA

C O N F I D E N T I A L MADRID 2640

PASS TO ERDA (SEIVERING)

E.O.11652: GDS

TAGS: ECON, ENRG, TECH, SP

SUBJECT: U.S. NUCLEAR SALES IN SPAIN

REF: TELCON GOODSPEED/DURKEE, 5 APRIL 77. MADRID 2224

1. EMBASSY TOOK ADVANTAGE OF ERDA DEPUTY ASSISTANT
ADMINISTRATOR GIAMBUSSO AND EMBOFF CALL TODAY ON JUNTA
DE ENERGIA NUCLEAR (JEN) DIRECTOR PASCUAL TO INQUIRE
ABOUT REPORT THAT MININD HAD ADVISED UTILITIES TO TERMINATE
CONTRACTS WITH US FIRMS THAT HAD NOT YET RECEIVED USG
EXPORT LICENSES FOR EACTORS. PASCUAL SAID THAT SPANISH
ENERGY COMMISSIONER LUIS MAGANA HAD TOLD UTILITIES TO RE-
CONSIDER SUCH CONTRACTS BUT NO OTHER ACTION HAS BEEN TAKEN.
PASCUAL SAID GOS WAS FRUSTRATED BY DELAYS IN OBTAINING
LICENSES FOR NUCLEAR REACTORS AND ENRICHED FUEL LOADS
CANNOT UNDERSTAND USG ACTIONS SINCE SPAIN HAS ALWAYS
OPERATED NUCLEAR PROGRAM IN STRICT ACCORD WITH US AND
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 MADRID 02640 061214Z

INTERNATIONAL REGULATIONS. GIAMBUSSO REPLIED THAT
TERMINATING CONTACTS WOULD BE PRECIPITOUS ACTION
SINCE NEW US ENERGY POLICY WILL BE ISSUED SHORTLY.
URGED GOS TO WAIT FOR NEW POLICY BEFORE UNDERTAKING
MAJOR CHANGES IN NUCLEAR PROGRAM IN WHICH US HAS
HISTORICALLY SUPPORTED SPANISH. EMBOFF ADDED THAT
EMBASSY AND FONMIN HOPE TO RESOLVE CURRENT SAFEGUARD

ISSUES SOON (REASON FOR LICENSE DELAY).

2. ECONCOUN SUBSEQUENTLY SPOKE WITH ENERGY COMMISSIONER MAGANA TO INQUIRE ABOUT CONTRACT PROBLEMS. MAGANA SAID THERE WAS NO MOVE TO TERMINATE CONTRACTS PENDING LICENSES BUT RATHER MININD CONSIDERING THAT THERE BE SUSPENDED UNTIL CONDITIONS THAT WILL BE IMPOSED ON EXPORT LICENSES ARE MORE CLEAR" HE ADDED THAT HE HOPED PRESIDENT CARTERS ENERGY POLICT WILL RESOLVE MATTER.

3. COMMENT. ACTUAL SITUATION FOR CONTRACTS PENDING LICENSES IS THAT THEY ARE IN"LIBIO" UNTIL SPANISH OBTAIN CLEAR PICTURES OF WHAT ADDITIONAL RESTRICTIONS MAY BE PUT ON NEW REACTOR LICENSES. SPANISH LOGIC IS THAT IT CANNOT AFFORD TO MOVE FORWARD PROJECTS THAT MAY NOT RECEIVE LICENESES. WE BELIEVE SUSPENSION WILL LAST AT LEAST UNTIL NEW ENERGY POLICY IS ANNOUNCED BY THE PRESIDENT IF POLICY FAILS TO CALIRFY STANCE ON NUCLEAR EXPORTS OR SEEKS TO RESTRICT THEM, UNDULY IN SPANISH VIEWS THEN THE GOS WILL RECONSIDER NUCLEAR CONTRACRS.

4. EMBASSY BELIEVES GIAMBUSSO VISIT WAS POPPITIOUS IN THAT IT SERVED TO REASSURE GOS OFFICALS THAT US UNDERSTANDS IMPORTANCT OF BEING RELIABLE SUPPLIER. GIAMBUSSO SUGGESTION THAT GOS AVOID PRECIPITOUS ACTION UNTIL NEW ENERGY POLICY IS ANNOUNCED WAS WELL TAKEN BY SPANISH.

5. EMBASSY REFERS TO REMARKS IN MADRID 2214 CONCERNING CONFIDENTIAL

CONFIDENTIAL

PAGE 03 MADRID 02640 061214Z

PROBLEMS BECHTEL IS ENCOUNTERING IN NUCLEARWORK. WE BELIEVE BECHTEL'S PROBLEMS ARE ON RESULT OF GOS "WAIT AND SEE" POSITION.

6. SPAIN IS GOING AHEAD WITH PROGRAM TO HAVE 18-19,000 MEGAWATTS INSTALLED NUCLEAR POWER BY 1987. IF THE US PROVES TO BE A UNRELIABLE SUPPLIER, THEN IT WILL BUY EQUIPMENT AND FUEL FROM OTHER SOURCES, THERE IS ALREADY ONE FRENCH BUILT REACTOR IN OPERATION AND A WEST GERMAN ONE ON ORDER. SPAIN ALSO HAS ENRICHED FUEL CON-TRACTS WITH EURODIF AND THE USSR. US CONTROL OVER NUCLEAR POWER IN SPAIN WILL DECLINE IN REVERSE PROPORTION TO INCREASING IMPOTANCE OF THESE OTHER SUPPLIERS/ FAILURE TO MAINTAIN OUR POSITION AS THE MAJOR RELIABLE SUPPLIER WILL NOT ONLY DAMAGE OUR COMMERCIAL INTERSST. BUT ULTIMATELY ALSO FRUSTRATE OUR OUR DESIRE FOR TIGHTER CONTROL OF NUCLEAR ENERGY.EATON

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SALES, NUCLEAR ENERGY, MEETINGS, ALLEGATIONS, EXPORT LICENSES, CONTRACTS
Control Number: n/a
Copy: SINGLE
Sent Date: 06-Apr-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MADRID02640
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770119-1207
Format: TEL
From: MADRID
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770482/aaaactwz.tel
Line Count: 114
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 901e54a9-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 09-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2883365
Secure: OPEN
Status: NATIVE
Subject: U.S. NUCLEAR SALES IN SPAIN
TAGS: ECON, ENRG, TECH, SP, US
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/901e54a9-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009